DIRECTIVES TO NATIONALISED BANKS ON WAIVING OF LOANS

2545. SHRI MOHINDER SINGH LATHER :

SHRI SATYA PRAKASH MALAVIYA :

Will the Minister of FINANCE be pleased to state :

(a) whether all the Nationalised Banks have revealed that they have not received any directives from Government regarding waiving of loans to weavers as announced by the Prime Minister during September, 1993;

(b) if so, what are the instructions that have been issued to Nationalised Banks in this regard;

(c) to what extent the waiving of loans to weavers will benefit them; and

(d) what is the total amount to be involved and how many weavers have been helped under the scheme so far ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (d) Public Sector Banks and co-operative banks and Regional Rural Banks were advised by the Reserve Bank of India (RBI) and by the National Bank for Agriculture and Rural Development (NABARD) in June, 1990 to provide debt relief under the provisions of the Agricultural and Rural Debt Relief Scheme, 1990 in respect of the dues outstanding as on 2nd October, 1989 with these banks by the specified category of borrowers, including artisans and weavers in rural areas only. The ARDR Scheme came to a close on 31-3-1991 in respect of all the States excepting Assam and Jammu and Kashmir where the scheme came to a close on 30-6-1991. No revision was made in the Scheme in any manner thereafter and no revised instructions were issued in this regard. Arising out of the announcement referred to in part (a) of the question, it will be for the concerned State Governments themselves to take appropriate action if considered necessary.

PUBLIC SECTOR BANKS IN RURAL AREAS OF GUJARAT

2546. SHRI AHMED MOHMEDBHAI PATEL : Will the Minister of FINANCE be pleased to state :

(a) the details of the branches of Public Sector Banks opened in rural areas in Gujarat State during 1990-91, 1991-92 and 1992-93;

(b) what are the places where these branches are opened;

(c) whether branches of the Public Sector Banks are less in Gujarat in comparison to other States ;

(d) whether the Central Government have issued any instructions for opening more branches in Gujarat State; and

(e) what is the criterion adopted for opening branches in the rural areas of the State ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) The details of the branches of Public Sector Banks opened in rural areas in Gujarat during 1990-91, 1991-92 and 1992-93 and also the locations thereof are given below :—

District	Name of Centre
1990-91	
Banaskantha	1 Jalana
Kutch	2. Kandagara (Mota)
	3. Bhimasur
	4. Nalia
Mehsana	5. GIDC, Chhatral

District	Name of Centre
1991-92	
Bharuch	6. Gandhar
1992-93	
Banaskantha	7. Chatodar
Jamnagar	8. Harshadpur
	9. Theba
	10. Bedwa
Kheda	11. Kasor
	12. Lambhvel
	13. Simarda
Junagarh	14. Khageshri
	15. Jamvala
	16. Alidhra
Mehsana	17. Mau
	18. Chansol
Panchmahal	19. Shehra
	20. Bakor
	21. Diwada Colony
	22. Mota Varachha

(c) Average population per bank office (APPBO) in Gujarat as on June 30, 1993 works out to 12,000 in rural areas which compares well with the national APPBO of 13,000.

(d) and (e) The aim of Branch Expansion Policy 1985—99 was to achieve a population coverage of 17,000 (1981 census) per bank office in rural and semi-urban areas in each block so as to eliminate wide spatial gaps in the availability of banking facilities so that a rural branch was available generally within a distance of 10 kms. With the opening of bank branches in rural areas, the average population per bank branch in rural and semi-branch areas has come down to 13,000 by the end of 1989. At present, there is a network of 35313 branches of commercial banks in the rural areas of the country. Nevertheless, there may still be need for a number of additional bank branches in rural areas generally on two counts.

(i) Service area allocated to a bank branch may be found to be unmanageable due to large number of villages allotted, number of constituents to be catered to and long distances|difficult terrain involved in servicing the area.

(ii) The increase in business of a rural branch justifiably warranting an additional bank branch which could be viable.

Under the Branch Expansion Programme 1990—95 of Reserve Bank of India, it has now been left to the judgement of the individual banks to assess the need for additional bank branches in the respective service areas of their rural branches.

INTRODUCTION OF GUJARAT DEVELOPMENT BONDS

2547. SHRI AHMED MOHMEDBHAI PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether State Government of Gujarat have submitted any scheme for introduction of Gujarat Development Bonds, to the Central Government;

(b) if so, the broad details thereof;

(c) the reaction of Central Government thereto;

(d) whether Government have accepted the proposal ; and

(e) by when final decision in this regard is likely to be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (e) The Government of Gujarat had in November, 1992 proposed the issue of bonds to finance the Sardar Sarovar Project, relying on Government of India to absorb the foreign exchange risk. The proposal was, however, subsequently modified as a domestic public issue and the issue has recently been completed.